

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS

IN THE MATTER OF  
PROCEDURES FOR COMPLEX CHAPTER 11 CASES

GENERAL ORDER 2000-2

**PROCEDURES FOR COMPLEX CHAPTER 11 CASES**

Upon consideration of the Report of the Attorney Members of the Advisory Committee on Chapter 11 Issues for the Southern District of Texas dated December 21, 1999, the Court finds that there is a need to implement certain policies and procedures to better serve the public and the bar in Complex Chapter 11 Cases. Accordingly, it is hereby ORDERED that the following procedures shall be implemented in Complex Chapter 11 Cases on a trial basis and shall be reevaluated at the end of 2001.

1. A "Complex Chapter 11 Case" is defined as a case filed in the Southern District of Texas under chapter 11 of the Bankruptcy Code that requires special scheduling and other procedures because of a combination of one or more of the following factors:
  - a. The need for "first day" emergency hearings for consideration of the use of cash collateral, debtor-in-possession financing, and other matters vital to the survival of the business;
  - b. The size of the case (usually total debt of more than \$5 million or more than \$2 million in unsecured non-priority debt);
  - c. The large number of parties in interest in the case;
  - d. The fact that claims against the debtor and/or equity interests in the debtor are publicly traded (with some creditors possibly being represented by indenture trustees);
  - e. The need for simplification of noticing and hearing procedures to reduce delays and expense; or
  - f. Other similar factors.
2. If any party filing a chapter 11 bankruptcy petition believes that the case should be classified as a Complex Chapter 11 Case, the party shall file **with the bankruptcy petition** a Notice of Designation as Complex Chapter 11 Case.
3. The assignment of Complex Chapter 11 Cases shall be governed by the court's work order.
4. Each judge who may be assigned Complex Chapter 11 cases shall arrange the judge's calendar so that "first day" emergency hearings can be conducted as required by the circumstances, but not more than two business days after the request for emergency "first day" hearings.
5. When a party has filed a chapter 11 case and filed a Notice of Designation as Complex Chapter 11 Case, the clerk shall:
  - a. Randomly allocate the case to a judge on the Complex Chapter 11 Case Panel as provided in the Court's Work Order.

- b. Immediately confer with the assigned judge about setting hearings on any emergency motions and about issuing the Initial Order;
  - c. If the assigned judge determines that the case does not qualify as a Complex Chapter 11 Case, the assigned judge shall issue an Initial Order Denying Complex Case Treatment (such as the attached form). The assigned judge may retain the case or may assign it to another judge. If the assigned judge determines that the case appears to be a Complex Chapter 11 Case, the assigned judge shall issue an Initial Order for Complex Business Bankruptcy Case (such as the attached form). (The judge shall make such changes in the form orders as the judge may see fit and may rescind, revise, or issue subsequent scheduling orders at any time.)
6. This procedure shall be reevaluated at the end of 2001, and shall be continued, terminated, or modified, as appropriate.

Effective on the 11 day of January, 2000.

/s Richard Schmidt  
Honorable Richard Schmidt, Chief Judge

/Manuel D Leal  
Honorable Manuel D. Leal

/s L Z Clark  
Honorable Letitia Z. Clark

/s William Greendyke  
Honorable William Greendyke

/s K K Brown  
Honorable Karen K. Brown

/s Wesley W Steen  
Honorable Wesley W. Steen